

**OFFICE OF THE MISSISSIPPI SECRETARY OF STATE
BUSINESS REGULATION AND ENFORCEMENT DIVISION**

IN THE MATTER OF:)	
)	
IQ - THE NEXT BOX)	ADMINISTRATIVE PROCEEDING
)	NO. C-06-0338
)	
RESPONDENT)	

**FINAL CEASE AND DESIST ORDER AND
ORDER IMPOSING ADMINISTRATIVE PENALTY**

The SECRETARY OF STATE OF MISSISSIPPI, by and through James O. Nelson, II, Assistant Secretary of State for the Business Regulation and Enforcement Division, hereby issues this Final Cease and Desist Order and Order Imposing Administrative Penalty to IQ-The Next Box (hereinafter "IQ") and in support hereof, states the following:

I. JURISDICTION

The Business Regulation and Enforcement Division of the Office of the Secretary of State (hereinafter "Division"), having the power to administer and to regulate charities and their fund-raising counsel under the Regulation of Charitable Solicitation Act, codified at Miss. Code Ann. §§79-11-501 to 79-11-529 (hereinafter "Act"), upon due consideration of the subject matter hereof, and having reason to believe that Respondent acted on behalf of a charity that solicited within the State of Mississippi, has determined the following:

II. FINDINGS OF FACT

1. IQ-TheNextBox can be served with this Final Cease and Desist Order and Order Imposing Administrative Penalty by serving Mr. Anthony Loiacono at 7212 Via Mariposa Sur, Bonsall, California 92003.
2. IQ contracted with the Jeff Gordon Foundation to act as counsel in its fund-raising efforts.
3. The Jeff Gordon Foundation registered with the Division.
4. IQ acted as fund-raising counsel for a charity registered in Mississippi to solicit contributions in and from Mississippi.
5. On December 19, 2005, the Division notified IQ by telephone of the need to register as fund-raising counsel. IQ failed to register.
6. On June 7, 2006, Patricia Melvin sent a letter to IQ notifying Respondent that it is a violation of the Act for a charity to utilize the services of an unregistered fund-raising counsel. A registration application was enclosed. IQ failed to register.
7. In an effort to settle this matter, the Division issued a Consent Order on August 23, 2006. Respondent requested additional time in which to pay the administrative penalty. That time has lapsed without Respondent executing the Consent Order and paying the administrative penalty.
8. IQ filed a registration application after the Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty was issued. The registration has been held in abeyance until this administrative action is concluded.

III. APPLICABLE STATUTORY PROVISIONS

9. Fund-raising counsel is defined by Miss. Code Ann. §79-11-501(e) which provides in pertinent part:

(e)"Fund-raising counsel" means a person (i) who for a fixed fee or rate under a written agreement **plans, manages, advises or consults with respect to the solicitation in this state of contributions by a charitable organization**, (ii) who neither solicits contributions nor directly or indirectly employ, procure or engage any person who compensated to solicit contributions, and (iii) who does not at any time, whether directly or indirectly, receive or have custody or control of contributions. . . .

10. With respect to registration of fund-raising counsel, Miss. Code Ann. §79-11-513 provides in pertinent part:

No person shall act as a professional fund-raiser or fund-raising counsel for a charitable organization before he has registered with the Secretary of State or after the expiration or cancellation of such registration or any renewal thereof. . .

III. CONCLUSIONS OF LAW

The previous paragraphs are incorporated herein by reference.

11. IQ is a fund-raising counsel as defined by Miss. Code Ann. §79-11-501(e).

12. IQ contracted to act as fund-raising counsel for The Jeff Gordon Foundation, a charity currently registered in Mississippi.

13. During the time it was acting on behalf of The Jeff Gordon Foundation, IQ was not registered as required by Miss. Code Ann. §79-11-513.

V. PUBLIC INTEREST

The proposed actions are in the public interest and are consistent with the purposes set out in Miss. Code. Ann. §79-11-501, et seq. (2001).

IV. FINAL ORDER

IT IS, THEREFORE ORDERED, pursuant to Miss. Code Ann. Section 79-11-509(4) (Rev. 2001), that IQ - The Next Box shall immediately and permanently **CEASE AND DESIST** from further illegal activity in and from the State of Mississippi as defined by Miss. Code Ann. Section 79-11-501 (Rev. 2001).

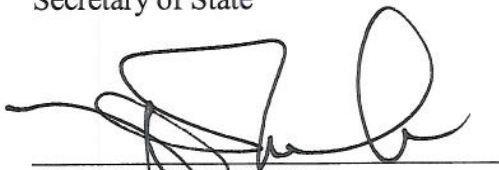
IT IS FURTHER ORDERED that a fine of Five Thousand Dollars (\$5,000.00) is imposed upon IQ - The Next Box.

BE ADVISED THAT, a willful violation of this Final Cease and Desist Order may be punishable upon conviction by a fine of not more than Twenty-five Thousand Dollars (\$25,000.00) or five (5) years imprisonment, or both, in addition to civil and administrative remedies available to the Division.

SO ISSUED, this the 25 day of November, 2006.

ERIC CLARK
Secretary of State

BY:


JAMES O. NELSON, II
Assistant Secretary of State
Business Regulation and Enforcement

Patricia Melvin, MSB #2865
Mississippi Secretary of State's Office
700 North Street
Post Office Box 136
Jackson, Mississippi 39205-0136
Tel. (601)359-1650
Fax. (601)359-1499

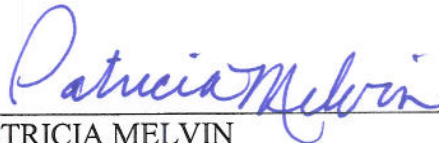
CERTIFICATE OF SERVICE

I, Patricia Melvin, do here by certify that I have this day mailed via Certified Mail, postage pre-paid, a true and correct copy of the Final Cease and Desist Order and Order Imposing Administrative Penalty to the following:

Mr. Anthony Loiacono
IQ-The Next Box
7212 Via Mariposa Sur
Bonsall, CA 92003

The Jeff Gordon Foundation
4345 Papa Joe Hendrick Blvd.
Charlotte, NC 28262

This, the 22nd day of November, 2006.



PATRICIA MELVIN
Senior Attorney
Business Regulation and Enforcement

Patricia Melvin, MSB #2865
Mississippi Secretary of State's Office
700 North Street
Post Office Box 136
Jackson, Mississippi 39205-0136
Tel. (601)359-1650
Fax. (601)359-1499